

May 27, 2022

The Honorable Bill Ferguson
President of the Maryland Senate
H-107 State House
Annapolis, MD 21401

The Honorable Adrienne A. Jones
Speaker of the House of Delegates
H-101 State House
Annapolis, MD 21401

Dear Mr. President and Madam Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 108 and Senate Bill 524 – *Public Utilities – Energy Efficiency and Conservation Programs – Energy Performance Targets and Low-Income Housing*.

This legislation will increase costs to ratepayers by hundreds of millions of dollars per year, and likely exacerbate an existing program debt that is already approaching \$1 billion. Turbulent energy prices and unbridled inflation should inspire lawmakers to offer relief to their constituents. Instead, they have done just the opposite in this bill. Maryland currently offers programs that provide residents with energy efficiency resources, regardless of income level. Furthermore, limited income households can receive materials, equipment, and installation services at no charge, and we provide energy efficiency programs specifically for affordable, multifamily rental properties.

The Low-Income Energy Efficiency Program (LIEEP) helps low-income households undertake energy conservation projects in their homes at no charge, and the Multifamily Energy Efficiency and Housing Affordability (MEEHA) Program promotes energy efficiency and affordability in the State's multifamily rental housing developments for low- and moderate-income households. For years, these programs have been an important measure in combating the disproportionate effects of high energy costs on low-to-moderate income Marylanders.

Rewriting these programs without regard to the effect on ratepayers will have devastating consequences. It will further burden struggling communities with higher utility bills and saddle all Marylanders with an unjustifiable level of indebtedness. Maryland's energy efficiency programs are strong and should remain intact.

For these reasons, I have vetoed House Bill 108 and Senate Bill 524.

Sincerely,

Lawrence J. Hogan, Jr.
Governor